



National
Foreign
Assessment
Center

Approved For Release 2005/12/14 : CIA-RDP79T00912A002700010044-2

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Africa Review

2 February 1979

Secret

RP AR 79-005
2 February 1979

Approved For Release 2005/12/14 : CIA-RDP79T00912A002700010044-2

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Approved For Release 2005/12/14 : CIA-RDP79T00912A002700010044-2

Next 3 Page(s) In Document Exempt

Approved For Release 2005/12/14 : CIA-RDP79T00912A002700010044-2

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South Africa: Contingency Planning for Rhodesian Refugees (U)

The South African Government has begun long-range contingency planning for a large number of refugees should political and social order break down in Rhodesia. There is no indication that this planning is being carried out in coordination with Rhodesian authorities or that it involves military intervention in Rhodesia. [REDACTED]

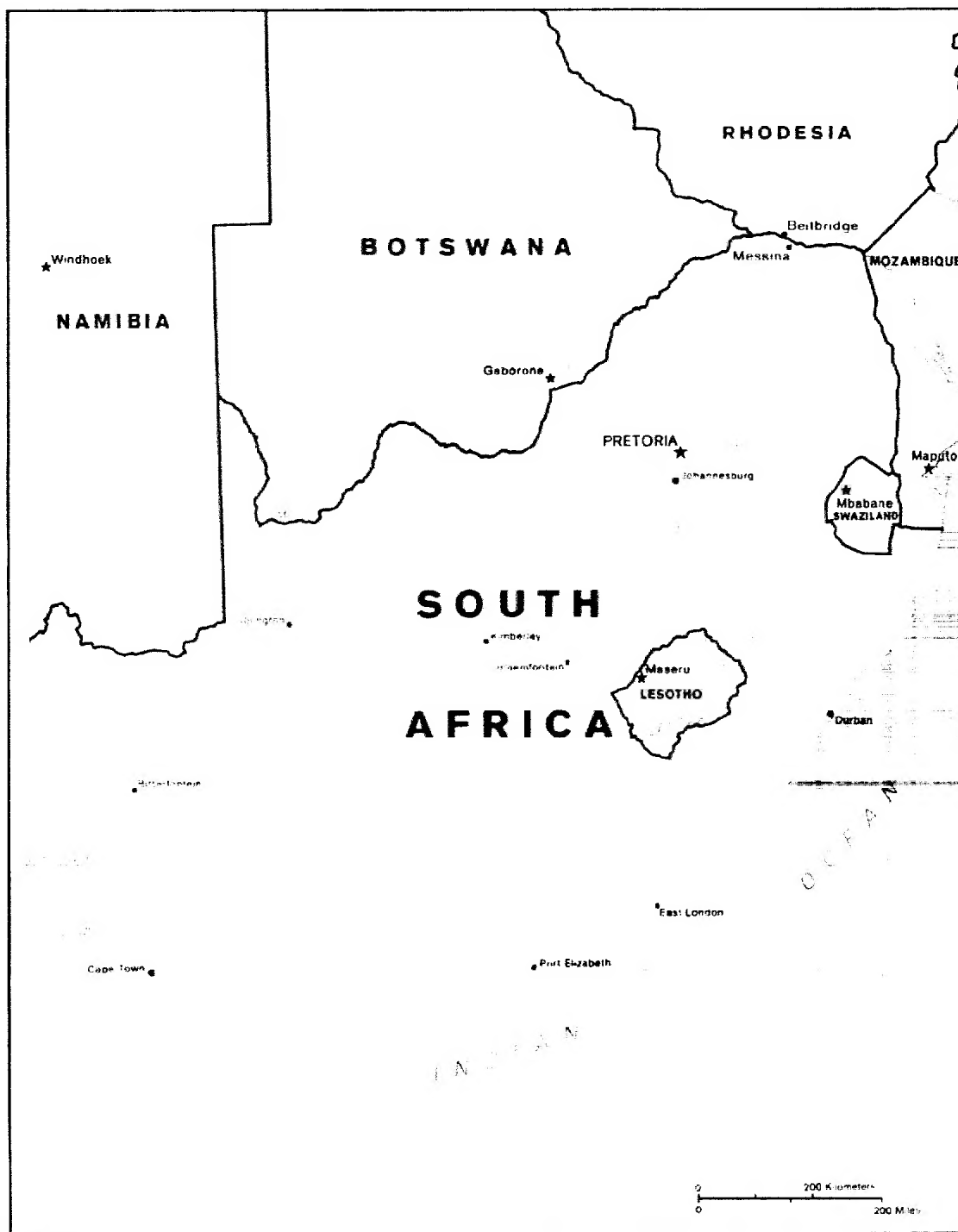
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There has been extensive South African press speculation within the past few weeks about government planning for a Rhodesian evacuation. One report discussed government interdepartmental planning on finding employment for an estimated 80,000 white Rhodesians who might be able to claim immigration status through family connections in South Africa and on coping with three streams of refugees: permanent settlers, refugees in transit to other countries, and black refugees spilling over into South Africa because of tribal warfare in Rhodesia. The press has also reported that the government has converted three farms in northern Transvaal near the Rhodesian border into refugee camps for whites and that refugee facilities are being built near Pretoria. [REDACTED]

25X1
25X1

2 February 1979

SECRET



2 February 1979

SECRET

Rhodesian Prime Minister Smith lent credence to the stories of South African refugee planning when he told a group of whites while campaigning for approval of the proposed constitution last week that Rhodesia had been assured by South Africa that it would provide for the evacuation of war-wounded in the event of a total breakdown of civil order in Rhodesia. South African Prime Minister Botha immediately responded that if such a breakdown occurred, South Africa would act as a good neighbor. A few days later a senior Foreign Ministry official commented that no agreements had been reached between South Africa and Rhodesia on the acceptance of refugees, and that South Africa did not want to encourage more people to leave Rhodesia by saying that South Africa would take them. In discussing the stories of refugee villages that had been circulating, the Foreign Ministry official conceded internal planning was under way, but denied that physical preparations had been undertaken. He added, however, that officials had visited areas that could be used as temporary refugee camps and that studies had been done on problems that might develop if large herds of cattle were brought across the border. He made clear that no planning and coordination was being done with the Rhodesians and what had been done thus far was solely undertaken on South Africa's initiative. [REDACTED]

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The South Africans have long taken a very pessimistic view of the Rhodesian security situation. They now appear convinced that a serious breakdown will eventually occur in Rhodesia, thus creating a major refugee problem for South Africa. In 1974 and 1975 the South African Government was caught short by the unexpected number of refugees who fled Angola and Mozambique after those countries obtained independence, and it is obvious that the South Africans now want to be better prepared to handle the situation should Rhodesia collapse. The South Africans have been careful to avoid a military alliance with the Rhodesians, and there is no indication that the present refugee planning entails any South African military involvement inside Rhodesia or, indeed, any coordination with Rhodesian officials. Thus, in the absence of an integrated program, the South Africans are preparing for every eventuality, and they are approaching the prospect of a refugee flow from Rhodesia with the characteristic thoroughness that they apply to their other long-range contingency planning. [REDACTED]

25X1

2 February 1979

25X1

Approved For Release 2005/12/14 : CIA-RDP79T00912A002700010044-2

Approved For Release 2005/12/14 : CIA-RDP79T00912A002700010044-2

25X1A

South Africa Reluctant To Jeopardize Namibian Stake (U)

25X1 South Africa's footdragging over implementing the UN independence program for Namibia in part reflects Pretoria's fears of nationalization of foreign assets should the South West African Peoples Organization (SWAPO) come to power. South Africa accounts for four-fifths of the estimated \$1.1 billion in foreign civilian investment in Namibia. [REDACTED]

The South African Railways and Harbours Administration, a public corporation, is by far the major South African civilian investor in Namibia, with a half billion dollar commitment. De Beers Consolidated Diamond Mines is the largest South African private venture; other companies are active in food processing, construction, banking, mining (including the Rossing uranium mine and refining plant), and fishing. [REDACTED]

25X1 Although extremely important to the minuscule Namibian economy (GDP in 1978 was only \$1 billion), the foreign investments of the major Western powers represent well under 1 percent of their foreign direct investments. Diamond and uranium mining are the most important ventures. Britain, for instance, now relies on Namibia and Canada for uranium supplies, and West Germany also obtains uranium from Namibia. The United Kingdom now ranks a distant second, after South Africa, among civilian investors in Namibia. The United States, with \$65 million in investments, probably ranks third, followed by West Germany, France, Iran, and Canada. [REDACTED]

25X1
2 February 1979

SECRET

25X1A

Tanzania's Operation Chakaza* (U)

As the Tanzanian-Ugandan imbroglio drags on, with Tanzanian military forces now holding several positions inside Uganda, various explanations for what is happening suggest themselves. It is entirely possible that President Julius Nyerere is a victim of events and has stumbled into a growing confrontation with Uganda. He may also have calculated that his invasion of Uganda would frighten the Organization of African Unity (OAU) into taking some action, such as condemning Ugandan President Idi Amin Dada. Finally, there is the possibility that Nyerere fully intends to do whatever is necessary to topple Amin. [REDACTED]

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2 February 1979

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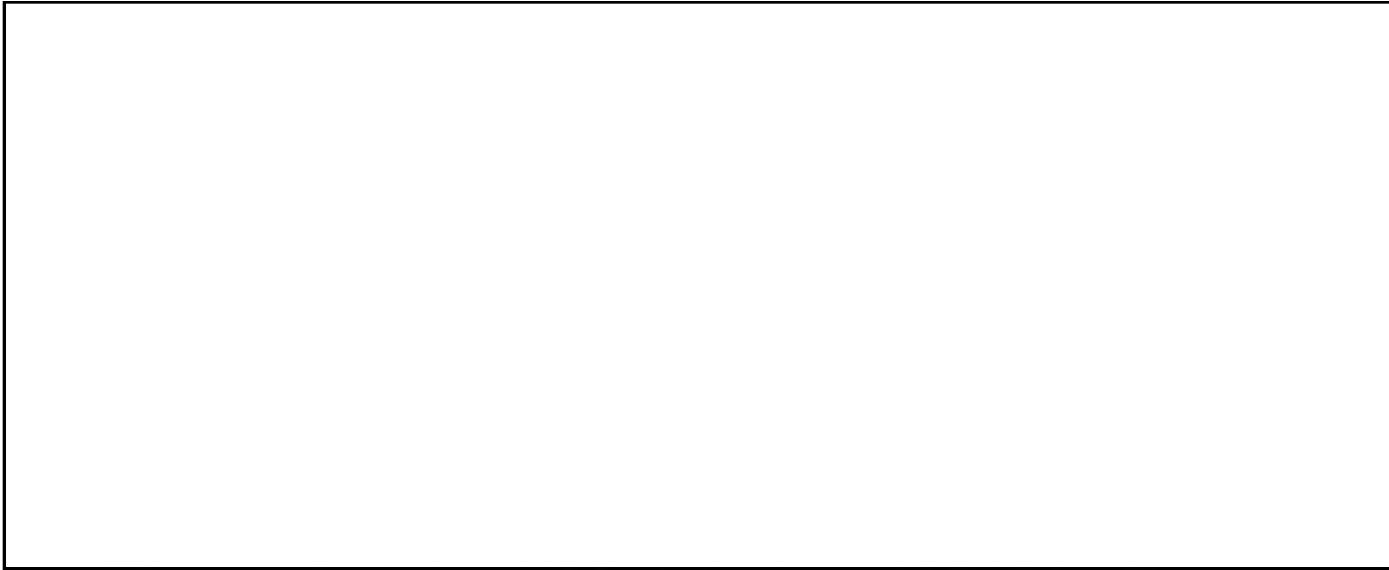
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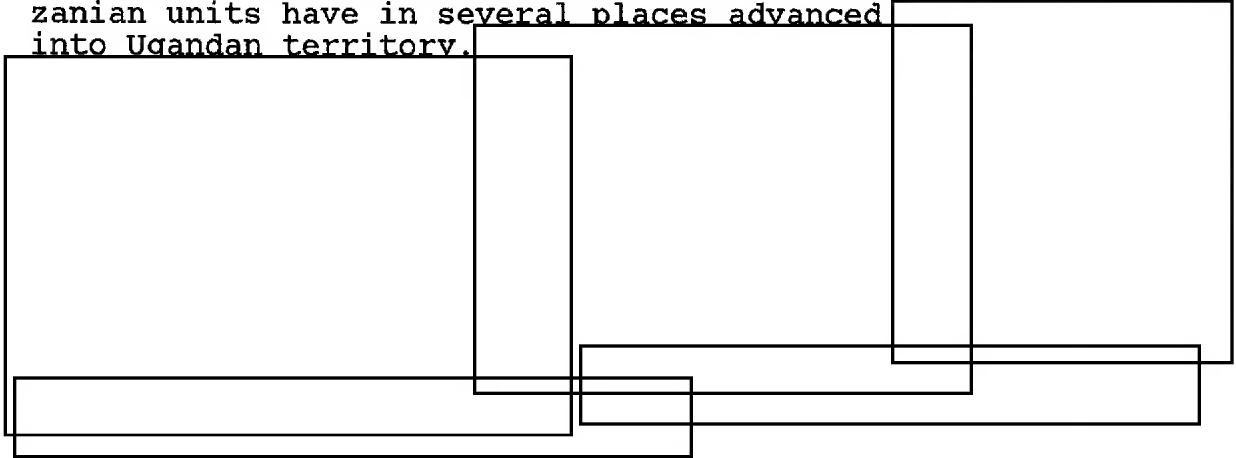
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Although the Tanzanian mobilization and the buildup of materiel and logistic networks are still in process, Ugandan forces have already withdrawn to Uganda and Tanzanian units have in several places advanced into Ugandan territory.

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2 February 1979

SECRET

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Approved For Release 2005/12/14 : CIA-RDP79T00912A002700010044-2

Next 3 Page(s) In Document Exempt

Approved For Release 2005/12/14 : CIA-RDP79T00912A002700010044-2

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Angola: Growing Government Control of Oil Sector (C)

Angola has joined the growing number of developing nations assuming majority control of petroleum operations. Three years after formal independence, the Marxist government of Agostinho Neto:

- Has converted the liberal oil concession granted by the Portuguese colonial administration to Gulf Oil Company in offshore Cabinda into a 51/49 joint venture with the new state-owned oil company, Sonangol; the state company plans to independently market its share of the oil.
- Is considering converting contracts with other foreign oil companies into production-sharing arrangements.
- Is considering buying out Belgian-owned Petrofina's 50-percent share of the 24,000-b/d Luanda refinery.
- Is contemplating greater participation in the exploration activities of risk contractors, most of whom are American firms that handed back their concessions after the civil war erupted in mid-1975.

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The decision to convert oil concessions into joint ventures suggests that the former guerrilla leaders now running the government have abandoned prewar plans to completely nationalize Angola's petroleum industry. The Neto regime apparently recognizes that revenues from oil produced by Western companies have kept the ailing Angolan economy afloat since independence and that the country is more likely to maintain a higher level of oil production in the future under production-sharing arrangements.

25X1

2 February 1979

Oil Since the War

Small by international standards--even the most generous estimates give Angola only 1.5 billion barrels of proved reserves and 3 to 4 billion barrels of potential reserves (a fraction of the world total)--the oil sector has become increasingly important to the Angolan economy in the past few years. Oil exports now account for about 90 percent of foreign exchange earnings, compared to about 50 percent in 1974, the last complete year of Portuguese rule. While oil output returned to near-normal levels within six months after the Portuguese officially left Angola in November 1975, production of coffee, diamonds, and other traditional export goods remains severely set back. [REDACTED]

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Oil production is estimated at 130,000 b/d in 1978, down 19 percent from the prewar peak. [REDACTED]

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[REDACTED]

The bulk of total oil output continues to be exported, with only 11 percent consumed domestically. [REDACTED]

Angola: Oil Production, Consumption, and Exports

	1974	1975	1976	1977	1978 ¹	1979 ²
Thousand b/d						
Production	160	140	110 ³	170	130	135
Offshore (Cabinda)	140	120	95 ¹	120	95	95
Onshore	20	20	15	50	35	40
Domestic consumption	16	11	9	15 ¹	15	15
Exports	144	129	101	155	115	120
Million US \$						
Exports at world market prices	526	471	425	702	533	612

¹ Estimated.

² Projected.

³ Production loss of 20 percent from previous year caused by the civil war, which disrupted oil operations during the first half of 1976.

25X1

2 February 1979

SECRET

Government Crude Sales

The Neto government cast its eye on lucrative oil concessions held by foreign companies shortly after coming to power. Like most LDC oil exporters, it hoped to diversify its petroleum markets, gain international marketing know-how, and increase domestic control over its most important source of foreign exchange. Although the joint venture agreement with Gulf was negotiated over the past year or so, the timing of the switchover in marketing arrangements appears to have been influenced by the tightening in the petroleum market in late 1978. Angola's light gravity, low-sulfur, short-haul crudes are particularly attractive in the international market at this time. With buyers rushing to build their yearend inventories in the fourth quarter of 1978, Angola apparently felt it was in a good position to try new marketing arrangements. [REDACTED]



So far, Angola's crude reportedly has been sold entirely to US purchasers. Luanda would like to diversify through increased sales to other LDCs, and the first large shipment of onshore crude to Zaire reportedly is scheduled for early 1979. Angola is also hoping to increase its oil shipments to Western Europe and resume sales to Canada. More remote possibilities include sales or swap agreements with Brazil and Communist-patron Cuba. [REDACTED]

Production Outlook

Angola's oil production peaked in 1977 and can be expected to decline for at least the next five to six years unless Gulf ends its postwar moratorium on investment and erstwhile concessionaries resume prospecting.

2 February 1979

SECRET

SECRET

Both of these developments are highly dependent on an improvement in the Angolan political situation. Onshore output, meanwhile, may temporarily rise somewhat once water and gas installations are completed, before the largest fields are largely depleted by the mid-1980s. This is the earliest possible date new offshore deposits could be brought into commercial production. [REDACTED]

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Largely as a result of this downward production trend, the government appears to be anxious to open up its entire coastline to foreign exploration and development and probably will offer production-sharing terms patterned after those in Indonesia and Egypt. Despite its Marxist leanings, the government recognizes its dependence on Western capital and technology to maintain and expand its most important industry. [REDACTED]

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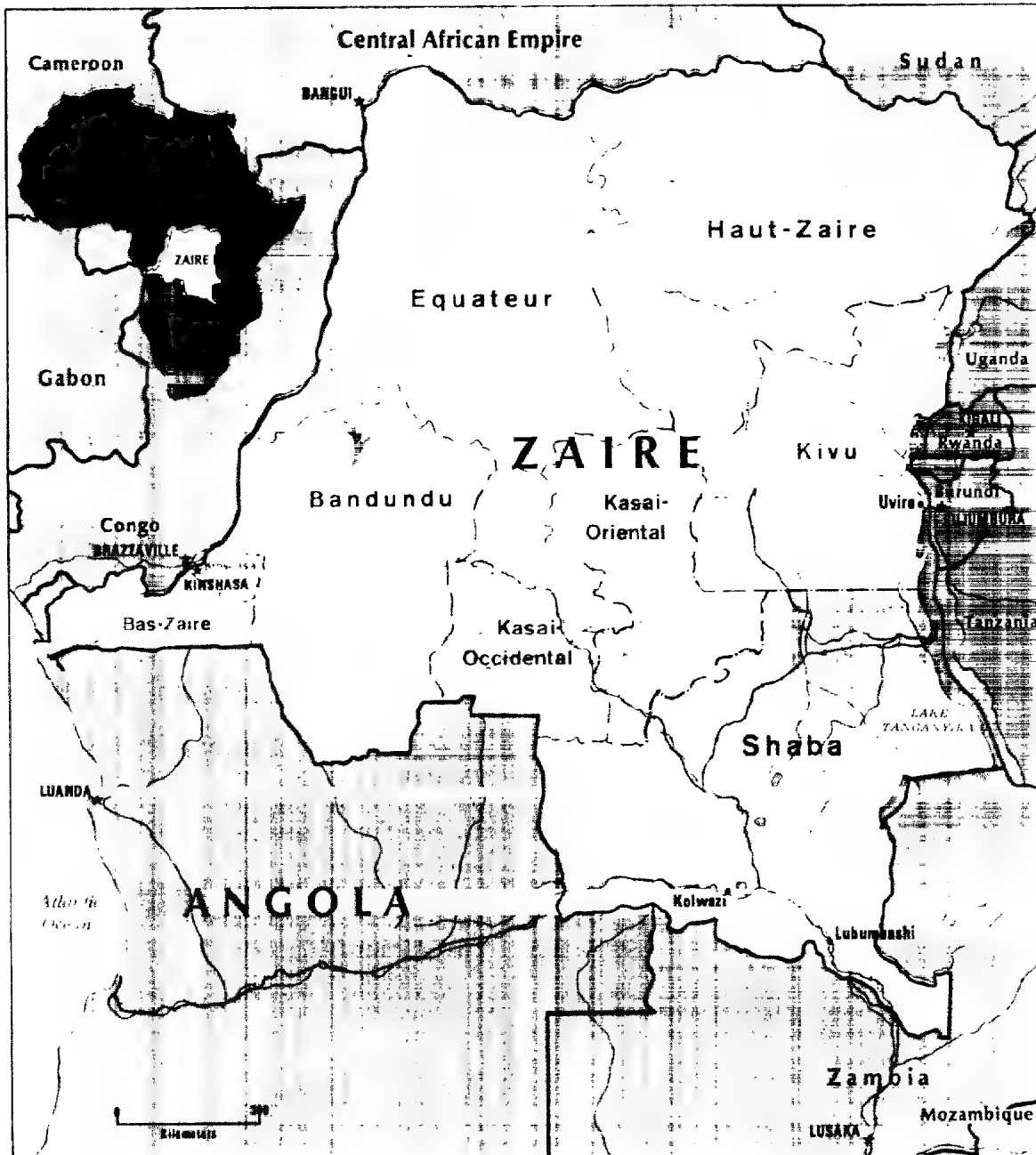
The state oil company Sonangol is reported to be considering 10 proposals (mostly from American companies) for a dozen or so 6,500-square-kilometer offshore production-sharing blocs. The offshore blocs with the most promising potential are the Congo River Basin in northern Angola with estimated reserves of 500 million barrels and the Benguela concession in southern Angola with an estimated 1.5 billion barrels. Several companies are also interested in developing the Cabinda onclave's onshore deposits, which may be comparable with those located offshore, once the security situation improves. [REDACTED]

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2 February 1979

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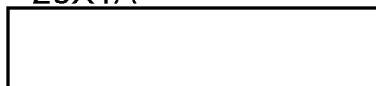


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2 February 1979

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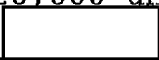
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Zairian Refugees: Returning to the Fold (U)

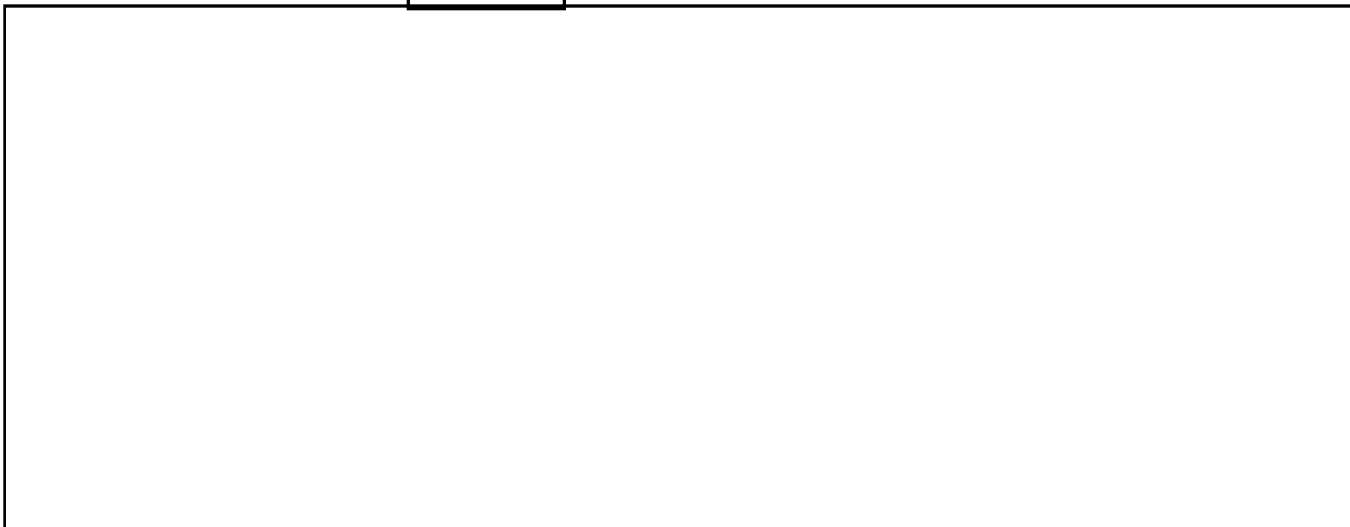
The return of refugees to Zaire in response to last summer's presidential amnesty has exceeded all expectations. Last December, Zairian President Mobutu extended the amnesty program for an additional six months just as it was about to expire. Although he reportedly based his decision on a request from the United Nations High Commissioner for Refugees (UNHCR), Mobutu also is responding to his Western supporters--primarily the United States--who continues to monitor his progress in regard to internal reforms and human rights. 

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At the end of the second Shaba invasion by ex-Katangan rebels last June, there may have been as many as 400,000 Zairian refugees in Angola. Approximately 80,000 Zairian refugees have returned to Shaba from Angola, with repatriation continuing at about 500 per day. Large numbers of refugees from other neighboring countries also have returned to Zaire. More than 30,000 have been repatriated from Burundi, although some of these are returning against their will. Smaller numbers have returned from Sudan and Tanzania. In addition, perhaps as many as 20,000 unregistered refugees have returned to Zaire. 

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2 February 1979

SECRET

[REDACTED]

The arrival of many thousands of repatriated Zairians in the Uvira - Lake Tanganyika area of eastern Kivu has created a difficult situation regarding food and local health facilities. Resentment at being expelled from Burundi and new hardships in Zaire may lead to discontent among some of the returnees in the area, especially those who already hold anti-Mobutu sentiments. So far, Burundi residents in Kivu have not been subject to retaliatory treatment by Zairian authorities. (C)

International Concern

Thanks largely to the UNHCR and Red Cross presence-- and also because of the Inter-African Force (IAF)--the repatriation of Zairians into Shaba from Angola has proceeded relatively smoothly. The Zairian security apparatus has been concerned, however, that some of the returnees may have been involved with the Katangan rebels. As a result, some of the returnees have been detained by the Zairian Army (FAZ) or the security service and sent to detention camps for questioning and identification. In December, a Red Cross inspection team reported systematic and widespread arrests, mistreatment, and prolonged detention of some of the returning refugees in western Shaba. In their travels through the region, the Red Cross representatives claimed they identified several small detention camps. They were unable to estimate the number of detainees, but reported that extortion and other abuses were occurring before the detainees were released. [REDACTED]

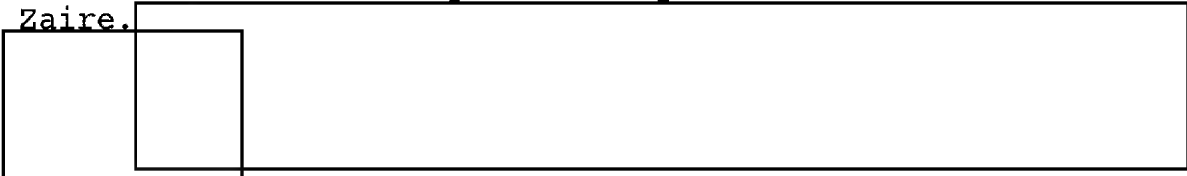
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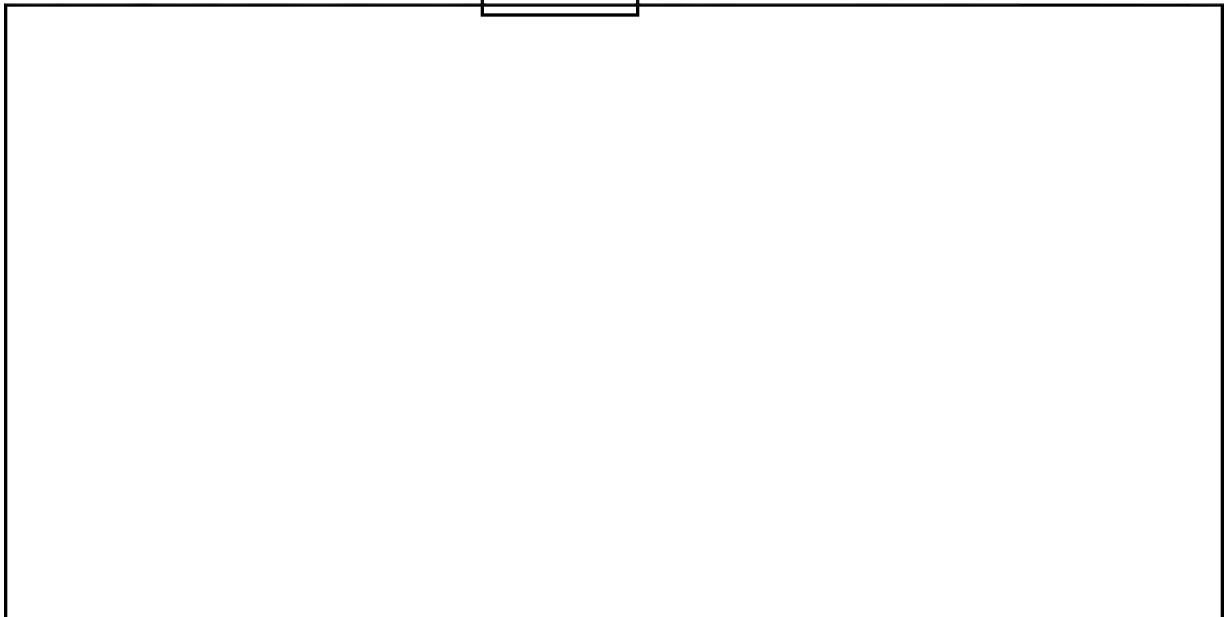
[REDACTED]

2 February 1979

Red Cross officials have expressed the belief that the detentions--which are contrary to the letter and spirit of Mobutu's amnesty--have been authorized by the Zairian Government. The arrests have further strained relations between the local population and the FAZ. Reports of detention and mistreatment could effect the decision of other refugees who may wish to return to Zaire.



The UNHCR and the Red Cross apparently are not in complete agreement as to the extent of Zairian violations of the amnesty. Both, however, through their representatives in Zaire are continuing their activities on behalf of the detainees. As a result of UNHCR concern expressed to Mobutu in late December, the Zairian President discussed the subject of refugee protection with General Singa and other Shaban officials. Mobutu's expression of concern--even if genuine--may not totally alleviate refugee mistreatment at the local level. Singa recently told a Red Cross representative that some of the actions by the FAZ do not conform to official instructions. He indicated, however, that steps would be taken to correct the Army's unauthorized treatment of returnees.



2 February 1979

25X1

Approved For Release 2005/12/14 : CIA-RDP79T00912A002700010044-2

Next 1 Page(s) In Document Exempt

Approved For Release 2005/12/14 : CIA-RDP79T00912A002700010044-2

25X1A

Nigeria: Western Fighter Aircraft Purchase Reported (U)

25X1 The Nigerian military government has ordered 12 Franco-German Alpha jet trainer/ground support aircraft at a cost of some \$50 million, according to recent press reports. Deliveries are scheduled to begin in mid-1980. If the deal has been concluded despite the regime's emphasis on general belt tightening, the Alpha jet would be the first Western fighter aircraft in the Nigerian inventory. The Nigerians have long relied on Soviet-built fighters. [REDACTED]

The reported aircraft purchase suggests there has been some loosening of budgetary constraints that have frustrated Nigerian Air Force desires to buy more jet trainers, transports, and helicopters before the country's scheduled return to civilian rule in October. The Alpha jet would not only satisfy Nigerian desires for a ground attack aircraft, but would also become the basic trainer, replacing the Air Force's aged Czech-made L-29 training aircraft. Last year Nigeria reluctantly ordered 10 used Czech trainers to bring the total of such aircraft to 20 and reportedly purchased superior West German electrical systems to be installed in the Czech aircraft. [REDACTED]

The Nigerian Government turned to the Soviet Union and Eastern Europe for jet aircraft during its 1967-70 civil war after the United States and Britain refused to supply its fighter needs, which fostered deep skepticism in Nigeria and irritated relations with the two Western countries. Nigeria's last major purchase of Soviet jet fighters--28 MIG-21s in 1974--was an expression of political gratitude to Moscow for its support of the federal side during the civil war. [REDACTED]

In recent years, however, Nigeria's traditionally Western-oriented Air Force has become increasingly dissatisfied with Soviet- and Czech-supplied aircraft and training, triggering some loosening of military ties. Last year Nigeria reduced from 25 to eight the number of Soviet instructors and technicians working with the Air

2 February 1979

SECRET

Force. Chronic spare parts problems also prompted Nigeria to approach Britain's Rolls Royce firm as a possible alternative supplier. [REDACTED]

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Because of its civil war experience, Nigeria, as a matter of policy, has worked to avoid becoming excessively dependent on any one source of military supply and has paid cash for its military purchases. The Nigerians continue to show a preference for non-US equipment, if comparable items are available from other suppliers. Britain, the former colonizer, and the Soviet Union have continued to receive most Nigerian requests for combat hardware. In spite of Lagos' general dissatisfaction with Soviet bloc military equipment, its need for spare parts, its determination to diversify military purchases in the interest of maintaining a nonaligned image, and Moscow's often lower prices will continue to provide the Soviets and other Communist states opportunities to sell arms to Nigeria. [REDACTED]

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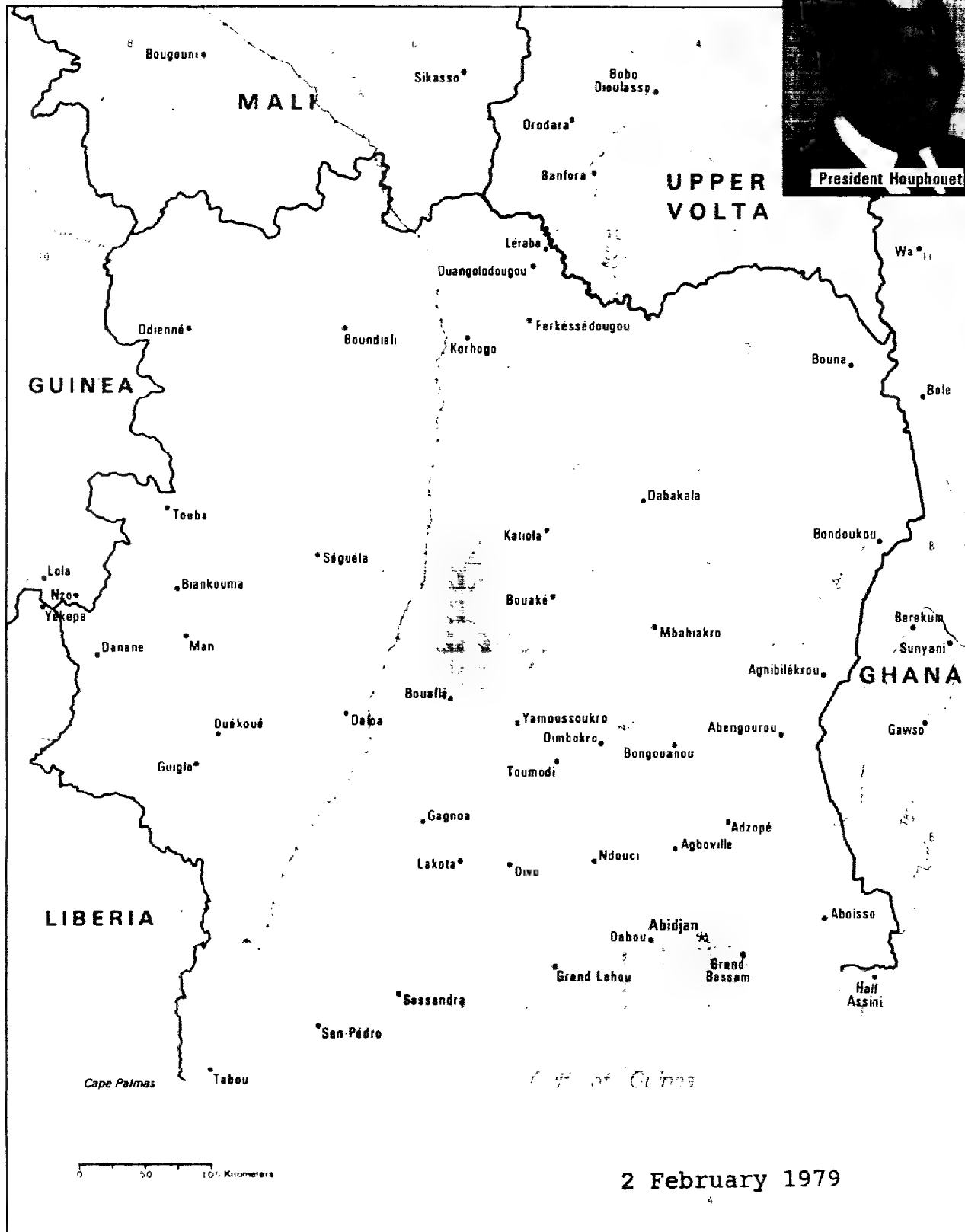
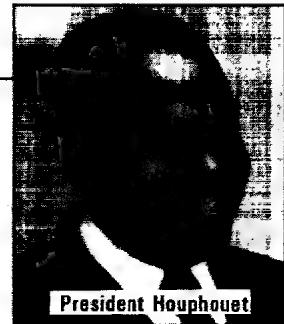
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2 February 1979

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Ivory Coast




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Ivory Coast: Anti-French Sentiment (C)

President Felix Houphouet-Boigny is determined to maintain his country's longstanding close relationship with France and the resultant economic benefits, despite circulation last year of several anonymous pamphlets challenging Houphouet's policy of encouraging a large and active role for the French in Ivory Coast. The pamphlets, which demanded an end to "French domination" of the Ivory Coast, were probably distributed in the hope of stimulating greater Ivorian alienation toward the 60,000-member French community. The pamphlets charged that the French presence and influence were responsible for the country's growing urban problems--congestion, crime, inflation, inadequate public housing, and job security--all of which Houphouet is finding increasingly difficult to resolve. The anonymous pamphlets pose no immediate or serious danger to Houphouet's political authority or to the French presence in the country's urban centers. They are signs, however, of the growing resentment that younger, better educated Ivorians harbor against the French. Moreover, the pamphlets are indicators of the potential friction the French presence could create, especially when the 73-year-old Houphouet passes from the scene. 

Ivorian Malaise

Since independence in 1960, President Houphouet has encouraged and welcomed a large French presence in Ivory Coast. The French now control about 40 percent of Ivorian industry, 53 percent of Ivorian commerce, and occupy 66 percent of the top management positions in the country's private sector. This relationship continues to be enormously profitable to both parties and has helped to make Ivory Coast a West African economic success story 

This rapid economic expansion has, however, strained the country's already outmoded urban facilities, especially in the capital, Abidjan. The lure of modern living and the opportunity to make large sums of money have

2 February 1979

SECRET

attracted to the nation's urban centers Ivorians from rural areas as well as Africans from neighboring countries--Ghana, Guinea, Mali, Nigeria, Senegal, Togo, and Upper Volta. The Ivorian Government has found it increasingly difficult to cope with the pressures generated by the expectations and frustrations of the country's growing urban populations. The significant rise in urban crime can probably be attributed to Ivorian disillusionment over the unequal distribution of the country's wealth, despite the relatively prosperous economy. [REDACTED]

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As a result, Ivorians have become more outspoken in their criticism of the large foreign population, especially the French in their urban centers. The Ivorians are unhappy over the preferential treatment Houphouet gives to the French and blame their urban problems on the French presence in the country. [REDACTED]

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The Affair of the Tracts

Anonymous pamphlets critical of the government's policies, started appearing in Abidjan early last year

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[REDACTED] Houphouet initially viewed the distribution of these leaflets as an insignificant exercise by university students and of little concern for his well-established relationship with the French. [REDACTED]

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Houphouet was extremely irritated, however, by the distribution in Abidjan of new and more inflammatory anti-French pamphlets on the eve of Ivory Coast's National Day celebration last December. These pamphlets, calling for mob violence against the French community, challenged the basic premise of Houphouet's open-door policy toward the French and questioned the President's Ivorianization policy--the gradual process of replacing French personnel with young Ivorians only if they are fully trained and capable of performing at the same level. [REDACTED]

25X1

2 February 1979

28
SECRET

SECRET

The pamphlets, which labeled Ivory Coast a French colony, detailed French domination of investment and the exploitation of the country to the detriment of Ivorian interests. The pamphlets charged that the Ivorian Government has used a French Marine battalion based in Abidjan to suppress several incidents of Ivorian discontent. The pamphlets also complained of mistreatment of Ivorians by local police, who were charged with taking extreme measures to protect the French community from muggings and thefts. The pamphlets concluded by stating that Ivorians are tired of the French colonialists and warned Houphouet that his policy of welcoming more French to Ivory Coast could not continue. [REDACTED]

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Outlook

Although the circulation of these anonymous pamphlets does not represent any serious threat to Houphouet or the French community, this anti-French sentiment does highlight the ever-present potential for future friction between the still-growing French community and Ivory Coast's ambitious youth--impatient for rapid Ivorianization and a solution to rising inflation and other urban problems. The President's rebuttal of the December pamphlets, and his invitation to the French to continue sharing in the task of national reconstruction, most certainly reassured the French that they had nothing to fear--as long as Houphouet remains in power. [REDACTED]

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Houphouet, nonetheless, is concerned by the growing discontent with urbanization and is confronting the problem in his usual pragmatic manner. He has already held meetings with disgruntled students and teachers, has promised to meet with labor and other interested groups, and has announced that he is taking steps to alleviate their grievances. The President will not be persuaded, however, to speed up dramatically Ivorianization or risk breaking his longstanding ties with France. Houphouet, in fact, is reported to have asked Paris to double the number of technical assistants, presently 4,500, in the Ivory Coast by 1985. [REDACTED]

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Once the aged Houphouet passes from the scene, we can probably expect a reduction of French influence on the Ivorian society and pressure to pursue a less pro-French foreign policy oriented more towards the African

2 February 1979

SECRET

SECRET

mainstream. Even so, Houphouet's most likely successors are advocates of his pragmatic policies and are unlikely to initiate any dramatic changes. The country's new leader will certainly realize that a complete and abrupt break in the country's traditional ties with France would probably halt the country's impressive social and economic development.



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2 February 1979

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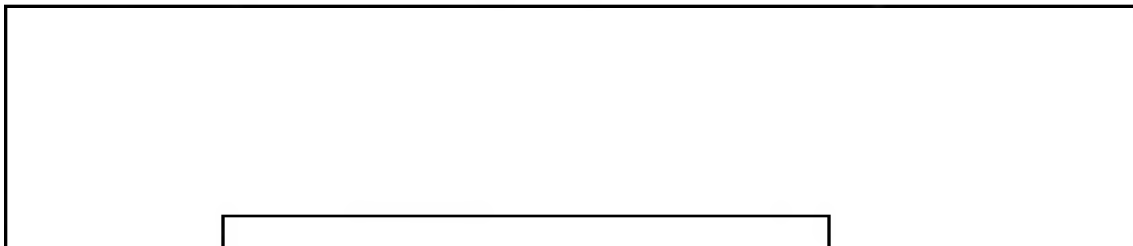
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FOR THE RECORD (U)

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25X1 It is not clear whether the resumption of relations will entail any financial assistance from East Germany. Mobutu's move may have been provoked by what he sees as the slow pace at which Western donors have responded with financial assistance to Zaire and the conditions they continue to attach to aid to the country. The resumption of relations with East Germany is probably an attempt to put pressure on Western donors to release funds at a faster rate. []



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2 February 1979

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